

MUNICIPAL CORPORATIONS COMMITTEE

DATE: January 17, 2007

CALLED TO ORDER: 4:34 p.m.

ADJOURNED: 5:22 p.m.

ATTENDANCE

ATTENDING MEMBERS

Ron Gibson, Chair
Vernon Brown
Lonnell Conley
Sherron Franklin
Scott Keller
Earl Salisbury

ABSENT MEMBERS

Isaac Randolph

AGENDA

PROPOSAL NO. 19, 2007 - reappoints Robert Pfeifer to the Marion County Health and Hospital Corporation Board of Trustees

"Do Pass"

Vote 6-0

Presentations:

Matt Gutwein, President, Health & Hospital Corporation of Marion County – Update on operations

Dr. Lisa Harris, CEO, Wishard Health Services – Update on operations.

MUNICIPAL CORPORATIONS COMMITTEE

The Municipal Corporations Committee of the City-County Council met on Wednesday, January 17, 2007. Chairman Ron Gibson called the meeting to order at 4:34 p.m. with the following members present: Vernon Brown, Lonnell Conley, Sherron Franklin, Scott Keller, and Earl Salisbury. Absent was Isaac Randolph.

PROPOSAL NO. 19, 2007 - reappoints Robert Pfeifer to the Marion County Health and Hospital Corporation Board of Trustees.

Chairman Gibson introduced Mr. Pfeifer and stated that he has had heard good things about him. Chairman Gibson asked Mr. Pfeifer to talk about his term and the future of Health and Hospital Corporation from the Board's point of view. Mr. Pfeifer stated that he was first appointed to the board in 2000 and it has been exciting to be a part of the improvements. Chairman Gibson asked if he could talk about any changes that would be happening in the future. Mr. Pfeifer stated that the board is meeting now to discuss what direction should be taken in the future. Chairman Gibson stated that he agreed there have been major improvements and that he is pleased Mr. Pfeifer played a role in those changes. Councillor Conley stated that he is always glad to have good people serve on the Board and is happy to welcome Mr. Pfeifer back.

Councillor Conley moved, seconded by Councillor Brown to send Proposal No. 19, 2007 to the full council with a "Do Pass" recommendation. The motion was carried by a vote of 6-0.

Matt Gutwein, President of Health & Hospital Corporation of Marion County and Dr. Lisa Harris, CEO of Wishard Health Services

Chairman Gibson introduced Mr. Gutwein and Dr. Harris and asked for an update on their operations. Mr. Gutwein thanked the committee for reappointing Mr. Pfeifer. He stated that Mr. Pfeifer is a Certified Public Accountant (CPA), as well as the Chair of the Board Finance Committee.

Mr. Gutwein stated that Wishard Health Services (Wishard) continues to be the second largest safety net hospital system in the country, based upon outpatient visits. If trends continue, by the end of this year, Wishard may become the largest in the country. He said that Wishard had 1.3 million outpatient visits in 2006. The need for quality health care for the underserved in the community is considerable. He said that although all the numbers for 2006 are not in, he expects that the numbers will be about the same as 2005, which ended with \$23 million in the black. In 2002, Wishard ended the year about \$77 million in the red, but 2003 began a complete turnaround. In that time, more people have been served by the hospital with greater efficiency. In the last year, admissions have risen about 10%, outpatient visits have risen about 15%, and 53 beds have been added. He said that the property tax collections have decreased by \$6 million during this same period. He added that the quality of care has not suffered during any of these changes.

He stated that there are three keys to the improvements at Wishard and they are as follows:

1. Staff – the entire Wishard family is dedicated and works hard to provide quality care as efficiently as possible.
2. Community support – the entire city and government leaders have provided unwavering support for Wishard, through initiatives such as smoking initiatives, childhood immunizations and providing coverage for the uninsured. Support from the Federal government leaders has also been important in funding for Wishard.
3. Running a tight ship – In 2003, Wishard ranked in the bottom 25th percentile nationally for productivity and proficiency. Currently, Wishard is ranked in the top 85th percentile nationally.

He stated that in spite of the improvements Wishard has made, there will be even more challenges in the future. Because of those upcoming challenges, it is necessary for Wishard to continue to be even more innovative. During the last six months, a plan to meet these challenges and continue to provide the highest quality health care has been developed. He said that nine objectives have been identified:

1. Continue to provide the highest quality of care and service.
2. Work to prevent illness through partnerships with Marion County Health Department and others.
3. Support all employees through training, motivation, and chances for advancement. Two years ago Wishard had a 12% attrition rate and this year, it is 6%.
4. Attract, retain, and train the highest quality physicians. There is a national and local shortage of physicians.
5. Continue to run a tight ship by being as efficient and productive as possible.
6. Strengthen and improve the environment as learners and researchers. Continue involvement in research in the life sciences initiatives.
7. Pursue focused growth by concentrating on those areas in which there is an opportunity for growth.
8. Continue to build upon the strong relationships with Wishard's partners, such as IU School of Medicine and other hospitals and providers.
9. Provide a modern care environment by having facilities that allow Wishard to provide the highest quality of care to its patients.

He said the entire organization is enthusiastic about these goals and stated that Dr. Harris will present more detailed information regarding these goals.

Dr. Harris stated that for the past several years there has been an understandable and appropriate focus on the financial status of Wishard. Internally, the most pride is taken in their ability to deliver quality care to an increasing amount of people, while many hospitals around the country are closing down or limiting services. Wishard has worked hard to improve efficiency without compromising the quality of care. There are many

ways to measure how well hospitals are doing, and Wishard pays attention to all of those. She said that there is a database that collects data from various teaching hospitals around the country. Some of the measures from that database demonstrate that Wishard is among the lowest for deaths resulting from common conditions, such as pneumonia. Wishard is also among the lowest for deaths due to surgical complications and infections. She stated that there will be an increased emphasis on setting agendas for quality and performance improvement.

Dr. Harris stated that even with the addition of over 50 beds, Wishard is at 98% occupancy. To maintain Wishard's ability to serve the community, they have to think beyond the hospital. They have to think about the whole integrated delivery system and look at every option and relationship in the community. They have implemented a program where all employees can contribute ideas for improving Wishard. As the largest provider of health care to the underserved, Wishard feels a responsibility to be proactive in working with the health department and others to prevent illness. They are very excited to move ahead with these plans. They feel that they have laid the groundwork and are poised to make a difference.

Chairman Gibson stated that the staff of Wishard is incredible and he is happy to hear that quality is the number one goal. He said that at their last presentation, the committee discussed lengthy wait times for patients and asked if those had improved. Dr. Harris stated that improvements have been made in wait times for appointments. There are two types of appointment wait times; the wait time to set an appointment and the wait time at the appointment. There are still improvements to be made, but wait times are getting shorter. Chairman Gibson stated that he hears complaints specifically about the wait time in the emergency room and asked if those wait times were improving. Dr. Harris stated that the emergency department is often the front door, but the problems are not always there; sometimes the wait is downstream. For example, the wait could be due to trying to find a bed for someone who needs to be admitted. She said that the addition of 20 beds in an observation room in the emergency department has helped alleviate some of those problems. The observation room is an area where patients who may have to be admitted can be treated without using the beds for trauma patients. Chairman Gibson stated that many people complain that the wait times are caused by people who visit the emergency room when they do not have an emergency. Dr. Harris said that this is related to the entire system and is why they are reaching out to clinics. Mr. Gutwein asked to place this discussion in context. He said that Wishard is at 98% capacity. The average hospital in the country runs at 67% capacity, while the average public hospital runs at 77% capacity. Hospitals are considered full at 80% capacity. The reason for that is because it takes a lot of time to put another patient in a room when one has checked out. The room and bed will need to be cleaned and equipment changed for the needs of the new patient. That 20% allows hospitals the flexibility to have rooms ready for patients continually. He said that their colleagues cannot believe that Wishard can even run at 98% capacity. The high capacity is a critical cause of the backlog in the emergency room. He said the addition of more beds and reducing the turnaround time to get beds ready is helping, but more

needs to be done. He stated that the bottom line is that the number of uninsured is rising nationally and the number of uninsured in Indiana is rising at twice the national rate. The demand is enormous and each bed added is full before it is uncrated. Another factor in the backlog is the shortage of physicians. The primary care facilities are suffering from this. He said that other hospitals have turned to Albanian trained doctors to relieve the shortage, but Wishard has been working hard to hire doctors from the IU School of Medicine. He added that they have been far more successful this year, but those doctors are at a premium and hiring them will continue to be a challenge.

Councillor Franklin stated that Mr. Gutwein and Dr. Harris have not mentioned that many people in the emergency waiting room do not see the number of patients brought in the back door by public safety officials and ambulances. She said that these are often trauma patients and are treated before less or non-emergent patients. She asked if Wishard is the only public hospital with access to university doctors. Mr. Gutwein stated that Wishard is not the only hospital that has strong relationships with university medical schools. There are many other academic medical centers around the country. Wishard trains about two-thirds of all the doctors in Indiana. Dr. Harris stated that although there are many hospitals aligned with medical schools, Wishard is in a much smaller group that encompasses more types of health services. Their community includes Indiana University School of Medicine, Marion County Health Department, health services research, and the integrated medical system. Wishard employs physicians, scientists, and researchers who all work together to solve problems and help patients.

Councillor Salisbury stated that it seems that Wishard should be bragging nationally about their accomplishments and asked if Wishard has been featured on the Sound Medicine radio program. Mr. Gutwein stated that both he and Dr. Harris have been featured on the show. He said that Dr. Harris is a physician, member of the IU School of Medicine faculty, and an Associate Dean of the IU School of Medicine. Wishard is fortunate to have someone with her qualifications as the Chief Executive Officer. He stated that Wishard does not actively seek national recognition, but has received it. He added that the local media has been very supportive.

Councillor Keller stated that friends of his that are doctors often say they love practicing but hate dealing with insurance. He asked if Wishard helps doctors with the insurance process and if that is a selling point when trying to recruit new doctors. Mr. Gutwein stated that some of Wishard's patients have insurance and the private practices have to deal with insurance. He said that Wishard has tried to set up a better system for handling insurance claims. Dr. Harris stated that this is a bigger problem for physicians with small practices. In Wishard's case, the primary and specialty care physicians are part of the IU Medical Group. The physicians still have to be cognizant of documenting their care for patients; the administrative staff takes care of the bulk of insurance claims.

Councillor Brown stated that the staff at Wishard is fantastic and he is always glad to see Health and Hospital Corporation because the news is always good. He stated that

recruiting doctors is harder for Wishard because there are no mountains or ocean views to offer and asked what kind of package Wishard is able to offer. Mr. Gutwein stated that sometimes it is a problem in recruitment, but we offer a competitive pay package. The pay is not the highest, but it is not the lowest either. He added that the doctors that come to work for Wishard are those who want to learn and help people. Those who want to only make money do not accept job offers from hospitals like theirs. Councillor Brown stated that he is glad that Wishard supports smoking, immunization, and quality health care legislation. He asked if they lobby at the Statehouse for legislation. Mr. Gutwein answered in the affirmative. Dr. Harris stated that they lobby themselves as well as other organizations on local and national levels.

Councillor Conley stated that Wishard's improvements can be attributed to the inclusion of all employees, from the janitor to the CEO. Mr. Gutwein stated that it is the goal for everyone to contribute.

Chairman Gibson asked if Wishard is struggling with the nursing shortage. Mr. Gutwein answered in the affirmative. Dr. Harris stated that Wishard is doing better; their vacancies have decreased 50%. She added that they took a long time to find a new Chief Nursing Officer that would fit in with the Wishard family. LeeAnn Blue was hired for that position and has made huge strides with the staff.

Chairman Gibson asked if Mr. Gutwein would like to introduce the staff in attendance. Mr. Gutwein introduced Patty Hebenstreit, Chief of Staff and Dan Sellers, Chief Financial Officer.

Chairman Gibson stated that the Council is proud of the work that Wishard Hospital, Marion County Health Department, and Health and Hospital Corporation does for the city and thanked everyone for their service.

With no further business pending, and upon motion duly made, the Municipal Corporations Committee of the City-County Council was adjourned at 5:22 p.m.

Respectfully submitted,

Ron Gibson, Chair
Municipal Corporations Committee

RG/cmc